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**6 SEM TDC ECO M 2**

**2014**

( May )

**ECONOMICS**

( Major )

Course : 602

**( Environmental Economics )**

Full Marks : 80

Pass Marks : 32

Time : 3 hours

*The figures in the margin indicate full marks  
for the questions*

1. Answer/Choose the correct answer from the following : 1×8=8

- (a) Mention one property of public good.
- (b) According to the materials balance model
  - (i) flow of materials and energy drawn from nature = flow of residuals in the long-run
  - (ii) during energy conversion some of the energy becomes unusable
  - (iii) households and firms release wastes in the environment
  - (iv) All of the above

- (c) Marginal Social Cost (MSC) equals
- (i)  $MPC + MEC$
  - (ii)  $MPC + MPB$
  - (iii)  $MSB - MPC$
  - (iv) None of the above
- (d) Kyoto protocol is associated with
- (i) reduction of greenhouse gas
  - (ii) carbon trading
  - (iii) Both (i) and (ii)
  - (iv) Neither (i) nor (ii)
- (e) Name the economist who advocated the assignment of property rights for efficient outcomes.
- (f) Write the Brundtland Commission's definition of sustainable development.
- (g) Mention one local environmental problem of your area.
- (h) Mention one man-made pollutant responsible for ozone layer depletion.

2. Write short notes on any *four* of the following  
(**within 150 words** each) :  $4 \times 4 = 16$

- (a) Resources and residuals
- (b) Internalisation of externality through Government intervention

- (c) Carbon trading
- (d) Strong and weak sustainability
- (e) Loss of biodiversity
- (f) Environment and development

Write the answers of the following (**within 500 words** each) :

3. (a) Define environmental economics. Illustrate with examples, the environment as economic and social assets. 2+5+5=12

Or

- (b) Explain the relationship between environmental economics and resource economics. Discuss the evolution of environmental economics as a subject. 5+7=12

4. (a) Explain the common sources of market failure. Do you think absence of property rights leads to market failure? Discuss. 6+5=11

Or

- (b) Define externalities. Explain environmental pollution as negative externality with the help of suitable diagrams. 11



5. (a) What are the **command** and **control** approaches for **solving** the environmental problems? Are the **command** and **control** approaches **cost effective**? Discuss. 5+6=11

Or

- (b) Explain any **three** incentive-based methods of **pollution** control. Do you think incentive-based instruments are more effective **than** **command** and **control** methods of **pollution** control? Discuss. 6+5=11

6. (a) Discuss the **indicators** of sustainable development with suitable examples. 11

Or

- (b) What is **Environmental Impact Assessment**? Discuss the steps involved in **environmental impact assessment**. Mention the **problems** of conducting **environmental impact assessment** in India. 2+6+3=11

7. (a) Explain the **environmental** problems in Assam with a **special** reference to **solid waste management**, **deforestation** and **watershed management**. 11

Or

- (b) Explain the **major** global environmental problems. Suggest a few practical solutions to the **existing** problems. 6+5=11

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